AMENDED IN ASSEMBLY MAY 26, 2006 AMENDED IN ASSEMBLY APRIL 19, 2006 AMENDED IN ASSEMBLY APRIL 17, 2006 AMENDED IN ASSEMBLY APRIL 3, 2006

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 2160

Introduced by Assembly Member Lieu (Coauthor: Assembly Member Laird)

February 21, 2006

An act to add Section 15814.40 to the Government Code, relating to state buildings.

LEGISLATIVE COUNSEL'S DIGEST

AB 2160, as amended, Lieu. State buildings: green building.

Existing law requires that new public buildings be models of energy efficiency and be designed, constructed, and equipped with energy efficiency measures, materials, and devices, subject to specified criteria, and that existing buildings be retrofitted to meet specified standards when renovated or remodeled. In addition, certain executive orders require state agencies to implement certain energy and resource efficiency standards in this regard.

This bill would require the Sustainable Building Task Force and Technical Group established in compliance with a specified executive order, in consultation with specified state entities, to define a life cycle cost assessment methodology to be used with respect to certain state building design and construction decisions. It would require the Department of Finance State Energy Resources Conservation and

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Development Commission, in consultation with specified state entities, to identify and develop appropriate financing and project delivery mechanisms to facilitate state building energy and resource efficient projects, including the use of the life cycle cost assessment methodology, identify appropriate incentives to facilitate private sector commercial building energy and resource efficient projects, and report its findings and recommendations in this regard to the Green Action Team established to further the goals of a specified executive order.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 15814.40 is added to the Government 2 Code, to read:
- 3 15814.40. (a) The Sustainable Building Task Force and
- Technical Group established in compliance with Executive Order 4
- 5 D-16-00, in consultation with the Department of General
- Services, the Department of Finance, and the California Energy
- 7 Commission State Energy Resources Conservation and
- Development Commission, shall define a life cycle cost
- assessment methodology that shall be used to evaluate the 9
- cost-effectiveness of state building design and construction 10
- decisions and their impact over a facility's life cycle, and shall 11
- propose this methodology to the Green Action Team no later 12 13
 - than July 1, 2007.
- 14 (b) (1) The Department of Finance State Energy Resources 15
 - Conservation and Development Commission, in consultation with
- 16 the California Energy Commission, the Treasurer's office, the
- 17 Department of General Services, and the California Infrastructure
- 18 and Economic Development Bank Department of General
- 19 Services and the Treasurer's office, shall identify and develop
- 20 appropriate financing and project delivery mechanisms to
- facilitate state building energy and resource efficient projects. 21
- 22 These mechanisms shall include the use of the life cycle cost
- 23 assessment methodology as described in subdivision (a), and
- shall maximize the use of outside financing, including, but not 24
- 25 limited to, loan programs, revenue bonds, municipal tax-exempt
- leases, and other financial instruments supported by project 26

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savings, and minimize the use of General Fund moneys for these purposes. In addition, the department commission, in consultation with these entities, shall identify appropriate incentives to facilitate private sector commercial building energy and resource efficient projects.

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- (2) The Department of Finance commission shall report its findings and recommendations on financing and delivery mechanisms to the Green Action Team by January 1, 2008.
- 9 (c) For purposes of this section, the "Green Action Team" 10 means the interagency team established to further the goals of 11 Executive Order S-20-04.